

123.37 Exclusive power to license and levy taxes — disputed taxes.

1. The power to establish licenses and permits and levy taxes as imposed in [this chapter](#) is vested exclusively with the state. Unless specifically provided, a local authority shall not require the obtaining of a special license or permit for the sale of alcoholic beverages at any establishment, or require the obtaining of a license by any person as a condition precedent to the person's employment in the sale, serving, or handling of alcoholic beverages within an establishment operating under a license or permit.

2. The director may compromise and settle doubtful and disputed claims for taxes imposed under [this chapter](#) or for taxes of doubtful collectibility, notwithstanding [section 17A.10](#) to compromise and settle doubtful and disputed claims for taxes imposed under [this chapter](#). The director may make a claim under a licensee's or permittee's penal bond for taxes of doubtful collectibility. Whenever a compromise or settlement is made, the director shall make a complete record of the case showing the tax assessed, reports and audits, if any, the licensee's or permittee's grounds for dispute or contest, together with all evidence of the dispute or contest, and the amounts, conditions, and settlement or compromise of the dispute or contest.

3. A licensee or permittee who disputes the amount of tax imposed must pay all tax and penalty pertaining to the disputed tax liability prior to appealing the disputed tax liability to the director.

4. The director shall adopt rules establishing procedures for payment of disputed taxes imposed under [this chapter](#). If it is determined that the tax is not due in whole or in part, the department shall promptly refund the part of the tax payment which is determined not to be due.

[C73, 75, 77, 79, 81, §123.37]

[85 Acts, ch 32, §30](#); [88 Acts, ch 1153, §2](#); [89 Acts, ch 252, §1](#); [93 Acts, ch 91, §15](#); [94 Acts, ch 1023, §9](#); [2007 Acts, ch 22, §35](#); [2018 Acts, ch 1060, §17](#); [2023 Acts, ch 19, §2402](#)